Exhibit H

ASSURANCE AND ADVISORY BUSINESS SERVICES

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Financial Reporting Developments

FASB Interpretation No. 46, Consolidation of Variable Interest Entities

ERNST & YOUNG

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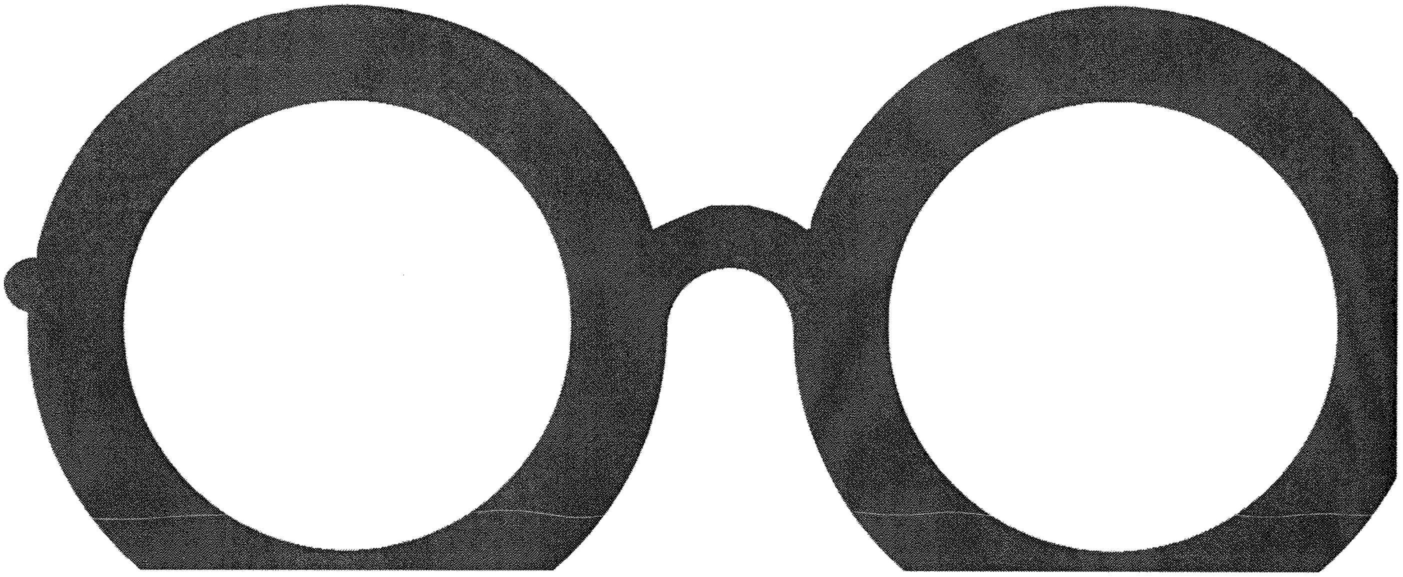

To Our Clients and Other Friends

In January 2003, the FASB issued FASB Interpretation No. 46, *Consolidation of Variable Interest Entities, an Interpretation of Accounting Research Bulletin (ARB) No. 51,* (the Interpretation). The Interpretation has proven to be one of the most complex standards issued to date by the FASB. The Interpretation provides guidance on how to apply the controlling financial interest criteria in ARB 51 to variable interest entities. Given the Interpretation's complexity, numerous implementation issues emerged after its issuance, particularly with respect to the Interpretation's scope and how the Interpretation's consolidation model should be applied. In response, the FASB staff issued several FASB Staff Positions (FSPs) throughout 2003 to clarify the Board's intent on certain of the Interpretation's provisions, and in December 2003, the Board revised the Interpretation to address certain technical corrections and to clarify many of the implementation issues that had arisen.

Variable interest entities (VIEs) include many entities that have previously been referred to as special-purpose entities (SPEs), but also may include many other entities not previously thought of as SPEs. The Interpretation's scope is so broad that virtually every entity may be affected by its provisions. The Interpretation introduces a new consolidation model—the variable interests model—which determines control (and consolidation) of a variable interest entity based on the potential variability in its variable interest holders' gains and losses.

In general, a variable interest entity is subject to consolidation pursuant the Interpretation's provisions if it has (1) an insufficient amount of equity for the entity to carry on its principal operations without additional subordinated financial support provided by any parties, (2) a group of equity owners that are unable to make decisions about the entity's activities, or (3) equity that does not absorb the entity's losses or receive the entity's benefits. VIEs are to be evaluated for consolidation based on all contractual, ownership, or other interests that expose their holders to the risks and rewards of the entity. These interests are termed variable interests and include equity investments, loans, leases, derivatives, guarantees, service and management contracts, and other instruments whose values change with changes in the VIE's net assets (excluding variable interests). Any of these instruments may require its holder to consolidate the VIE. The holder of a variable interest that receives the majority of the potential variability in gains or losses of the VIE (with the primary focus on losses) is the VIE's primary beneficiary, and is required to consolidate the VIE. Despite the complexity of the Interpretation, for public companies its provisions became effective immediately for entities created after January 31, 2003.

While the FASB has clarified some of the Interpretation's provisions, implementation issues continue to arise. This publication is designed to assist professionals in understanding the accounting required pursuant to the Interpretation's complex provisions. This publication reflects our current understanding of the Interpretation's provisions (as revised by the FASB in December 2003) based on our experience with financial statement preparers and related discussions with the FASB and SEC staffs. Practice is still forming and additional authoritative guidance interpreting the provisions of the Interpretation could be issued subsequent to the release of this publication. While we will update our understanding and this publication as additional authoritative guidance is issued, preparers of financial statements should closely monitor developments in this area.

Ernst + Young LLP

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